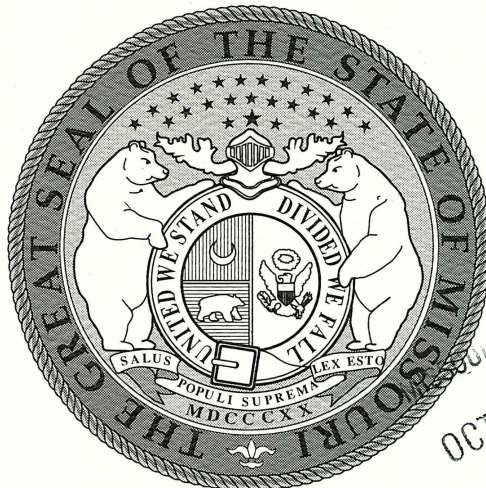


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# THE FINAL REPORT



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## ORGANIZATIONAL PLANNING TASK FORCE

AUGUST 31, 1994

COMMISSION ON MANAGEMENT  
AND PRODUCTIVITY

# Organizational Planning Task Force

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# Organizational Planning Task Force

## Executive Summary

### Background

The Commission on Management and Productivity was convened by Governor Carnahan in February 1994 to conduct a major review of state government, evaluate its strengths and weaknesses, and prescribe reform. This has been a collaborative effort between the executive branch, legislative branch, and the private sector to analyze issues and develop solutions for improving management and enhancing customer service in Missouri state government. Six task forces developed recommendations and implementation strategies on the following issue areas: fiscal policy, workforce, efficient operations, management improvement and customer service, automation, and strategic planning.

The Organizational Planning Task Force was charged with the mission to "develop an integrated strategic planning process for the State." During the course of their work, the task force collected and analyzed data, researched initiatives in other states, and conducted surveys, interviews and focus groups with state employees. This report details the results of their analysis and their recommendations on strategic planning issues.

### Recommendations

#### **1    *Develop and articulate a shared vision for Missouri and its people.***

Development of a shared vision that is the beginning of the Integrated Strategic Planning Process will set a direction for the State in areas that can be reflected in goals and objectives of state agencies. A shared vision will help the State position itself to take full advantage of emerging opportunities in order to meet the most critical issues and challenges facing the State over the next five, ten, and twenty years. The Governor, key staff and agency directors would be responsible for developing the shared vision, common mission, shared values and state goals. Involvement of legislative leadership and civic leaders could also be valuable to the development process.

#### **2    *Implement an Integrated Strategic Planning Process that will be used by the Governor's Office and the sixteen state departments.***

Information gathered from various sources indicates that planning in Missouri state government is not integrated. Some departments have advanced and sophisticated



planning; others have little or no planning beyond the ordinary budget process. But even the departments which have done planning, or are undertaking to do planning, have no central model, agreed-upon terminology, or uniform calendar. Moreover, the departments communicate with each other very little about their planning activities. For the most part they operate independently. The lack of a common structure and a unifying focus makes it difficult for the planning of the agencies to have a strong linkage to resource allocation decisions. Without this linkage there can be an inefficient use of state funds and resources, and ineffective service delivery to customers.

The task force proposes an integrated planning process model to provide the framework for: 1) creating a shared vision for the State and citizenry; 2) agency planning that is responsive to the vision and the individual department mandates; 3) integration of planning at various levels; and 4) a feedback loop based on the idea of continuous improvement, through the measurement of performance.

The visioning process will address the need to be proactive. Development of a shared vision, values and goals for the State will provide state leaders and agencies an opportunity to collectively determine the future and view it as something to be achieved rather than managed. Agency planning will support achievement of the desired future condition and will improve the basis for setting priorities and allocating resources among the agencies. Integration at the visioning and planning levels will lead to development of a comprehensive vision applicable to all Missourians, and will facilitate agencies working together on issues of mutual interest. Continuous improvement, driven by the strategic planning process and based on performance measures is the method by which agencies can assure citizens that they are accountable and not static and unresponsive.

### **3     *Support the continuation of the Integrated Strategic Planning Process.***

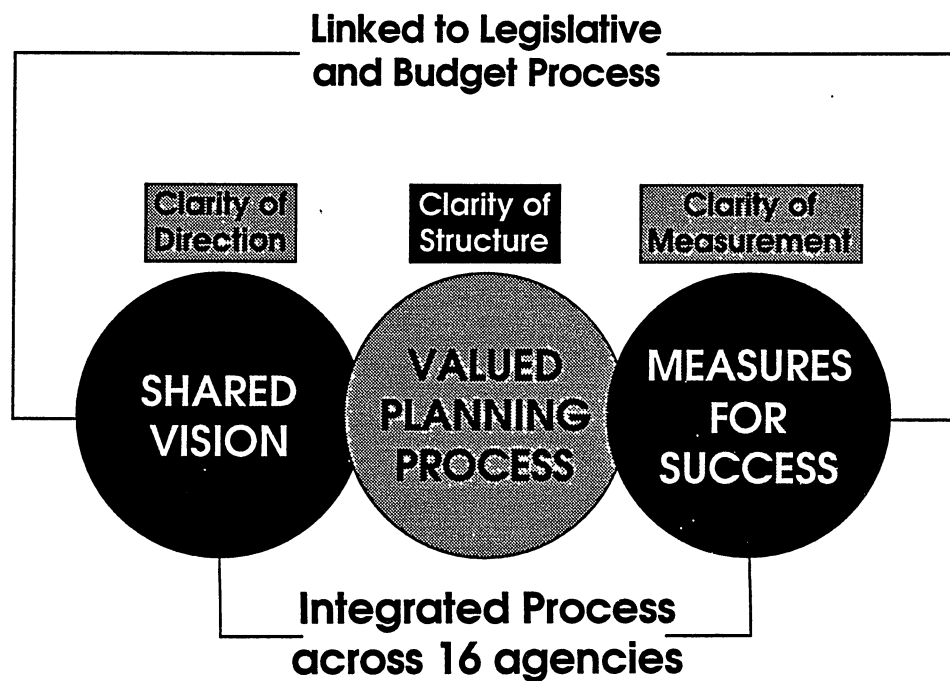
For the strategic planning process to be successful within agencies and across agencies, staff at all levels must have input into the strategic planning process and its outcomes. Successful strategic planning involves leadership from the top. However bottom up participation is equally important.

## INTRODUCTION

We believe the Governor and Legislative Leaders should articulate a Shared Vision for Missouri and its citizens and achieve it through an Integrated Strategic Planning Process involving the Governor, Legislature and 16 state departments.

*If done effectively, this Vision and Integrated Strategic Planning Process can:*

- Focus the mandates, priorities and actions of state government on attainment of the shared vision - **Clarity of Direction;**
- Provide a valued and integrated planning process frame of reference for agency programming and allocation of state resources through the legislative process - **Clarity of Structure; and**
- Provide a standard for measuring the success of the processes and tangible outcomes of state government in reaching the shared Vision for Missouri and its citizens - **Clarity of Measurement.**



## PRINCIPLES

*To successfully implement an Integrated Strategic Planning Process for state government the following should occur:*

- The Integrated Strategic Planning Process should be founded on a state vision developed collaboratively by legislative and executive leaders and shared with the public at large.
- The Integrated Strategic Planning Process should integrate state agency planning, resource allocation, and program implementation around the Shared Vision.
- State agencies' planning processes should be based on a common planning model that includes common terminology and action calendars. However, recognizing the differences in size, administrative capability, statutory authority and stakeholder involvement, each agency must have the flexibility to tailor planning methods and approaches to meet the individual needs of the agency.
- The Integrated Strategic Planning Process must be an ongoing process which directs annual agency budget priorities in the legislative appropriations process.
- State government should measure success through the Integrated Strategic Planning Process by attainment of the shared vision, outcomes, as well as the cost and achievement of program activities. The Process should delineate these outcomes and agency performance indicators.
- To become a sustained and highly valued part of state government functioning, the Integrated Strategic Planning Process must be practical and worthwhile to both the legislative and executive branches. Incentives which consistently and fairly recognize exemplary practices of state agencies and legislative leaders toward attainment of the shared vision are imperative.
- While there will be immediate short-term benefits from implementing an Integrated Strategic Planning Process, the Process must have a number of years to become fully institutionalized.

## ***Recommendation I***

Develop and articulate a Shared Vision \* for Missouri and its people.

## ***Background***

An integrated strategic planning process for state government will be successful only if it is grounded in a vision for Missouri and its people developed and supported jointly by the Governor and his executive branch and the Legislative leadership. It must ultimately be shared with and supported by Missouri's citizens at large.

## ***Rationale***

Development of a Shared Vision that is the beginning of the Integrated Strategic Planning Process will set a direction for the state in areas that can be reflected in the goals and objectives of state agencies. A Shared Vision will help the state position itself to take full advantage of emerging opportunities in order to meet the most critical issues and challenges facing the state over the next five, ten, and twenty years.

# **Integrated Planning Process**

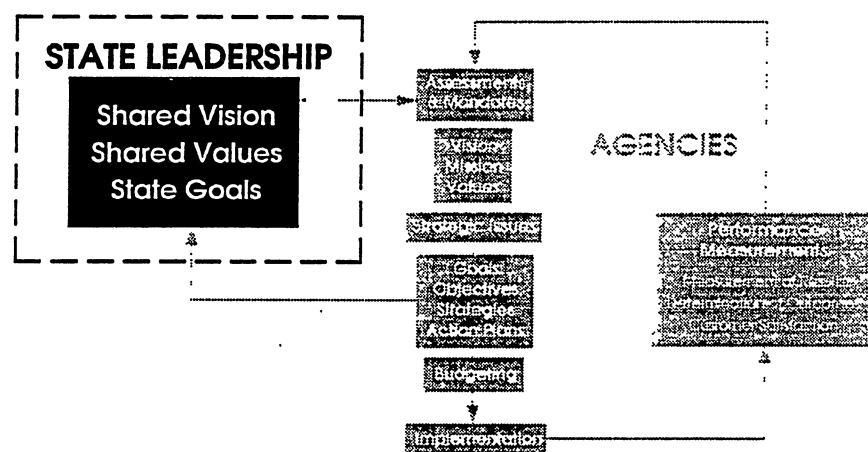


Figure 2

- \* An example of a Shared Vision is the following developed by the state of Minnesota: *"Minnesota will be a community of people who respect and care for one another; Our economic activity will create wealth and provide a good standard of living for all our people; Our citizens will be good thinkers, creative, always learning, with the skills to compete internationally; We will protect and enjoy the natural world; Our government will be responsive, effective and close to the people."*

## ***Implementation***

1. The Governor will convene a facilitated retreat in October, 1994, to articulate a proposed vision. The purpose of the retreat is to articulate a proposed 10 year vision for Missouri and its citizens. The vision areas may include, for example, Missouri's environment, its economy, its educational and human services, the state's infrastructure and public safety.
  - Participants will include:
    - Governor and key staff
    - Bipartisan legislative leadership
    - Sixteen state agency Directors
  - A facilitator skilled in assisting key leaders in the visioning processes should staff the retreat. This individual should also work with the State Strategic Planning Team (see **recommendation 2**) in assisting the executive branch in implementing the Integrated Strategic Planning Process. The shared vision will be utilized in strategic planning efforts which will impact the fiscal year 1997 budget requests.
  - The task force proposes that each state agency shall equitably share the cost for contracting the facilitator for the visioning process and for providing ongoing training to state agencies and the Governor's office in implementing the Integrated Strategic Planning Process. These funds also would be used by the Implementation Team described in Recommendation 2 to assist with the implementation of the Integrated Strategic Planning Process within agencies.
2. During the first year (October 1994 to May 1995), the Governor and legislative leadership will share with Missouri citizens the Vision developed at the retreat described in step 1 above.
  - The Governor and legislative leadership will utilize personal speaking engagements to share and build support for the vision.
  - The 16 agency directors will share the Vision with their constituencies.
  - At the end of the first year of the visioning calendar (June-July 1995) state leadership attends a facilitated retreat to articulate the final version of the vision, values and goals that establish priorities for the first strategic planning cycle.
  - During the first year (July - October, 1995) the executive branch, with assistance from universities and consultants, will establish benchmark data for each vision area.

**NOTE:** The Visioning Calendar is included in ATTACHMENT 1.



3. In subsequent years (July, each year), the individuals who convened initially will revise the Vision statement, if necessary, approximately one year after the initial session, based on the feedback they receive from citizens at large. At these meetings, leaders revisit the vision, set goals for the coming planning/budget cycle, and assess progress toward vision.

### ***Recommendation 2***

Implement an Integrated Strategic Planning Process that will be used by the Governor's Office and the 16 state agencies.

## **Integrated Planning Process**

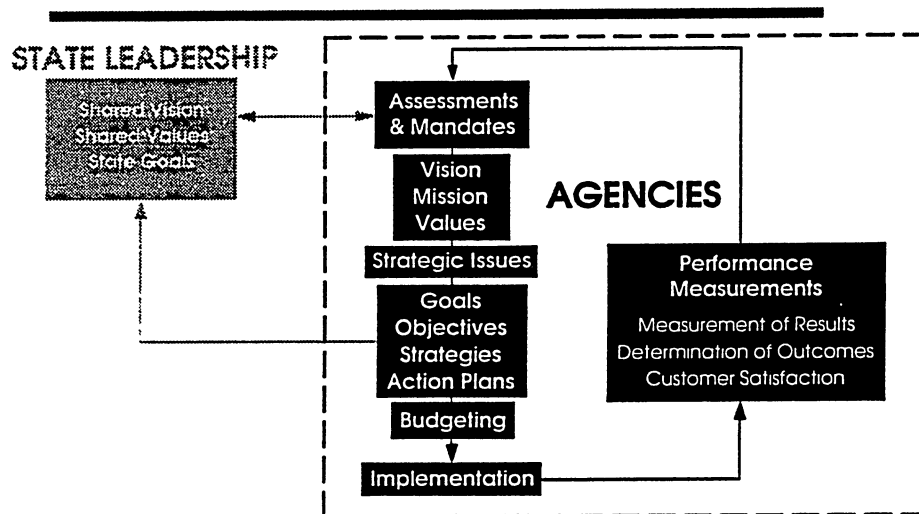


Figure 2

### ***Background***

Information gathered from various sources, including the 1994 Missourians First study done by the House of Representatives, shows that planning in Missouri state government is not integrated. Some agencies have advanced and sophisticated planning; others have little or no planning beyond the ordinary budget process. But even the agencies which have done planning, or are undertaking to do planning, have no central model, agreed-upon terminology, or uniform calendar. Moreover, the agencies communicate with each other very little about their planning activities. For the most part they operate independently. The lack of a common structure and a unifying focus makes it difficult for the planning of the agencies to have a strong linkage to resource allocation decisions. Without this linkage there can be an inefficient use of state funds and resources, and ineffective service delivery to customers. (SEE ATTACHMENT 2)

## ***Rationale***

Citizens often criticize state government as being reactive, unresponsive, inefficient and without accountability. In most cases, these criticisms are unjustified. In any event, we all understand the benefits and need to be proactive, to set priorities and to improve over time with knowledge and experience. The integrated planning process model (Figure 2) recommended by this task-force will provide the framework from which we can build to make the improvements we all believe possible.

The model has four cornerstone concepts that are critical: (1) creating a shared vision for the State and citizenry; (2) agency planning that is responsive to the vision and the individual agency mandates; (3) integration of planning at various levels; and (4) a feedback loop based on the idea of continuous improvement, through the measurement of performance.

The visioning process will address the need to be proactive. Development of a shared vision, values and goals for the State will provide state leaders and agencies an opportunity to collectively determine the future and view it as something to be achieved rather than managed. Agency planning will support achievement of the desired future condition and will improve the basis for setting priorities and allocating resources among the agencies. Integration at the visioning and planning levels will lead to development of a comprehensive vision applicable to all Missourians, and will facilitate agencies working together on issues of mutual interest. Continuous improvement, driven by the strategic planning process and based on performance measures is the method by which agencies can assure citizens that they are accountable and not static and unresponsive.

## **Strategic Planning Model**

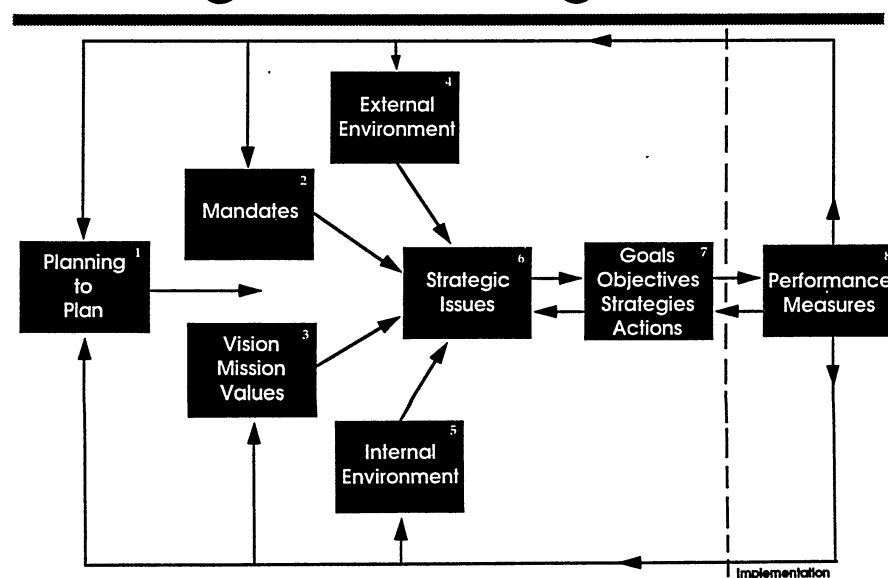


Figure 3

The 8-step model to strategic planning will provide the clarity of structure to the individual agency planning process, as well as the integrated planning process of the 16 state agencies. This approach gives the necessary guidelines to do strategic planning, based on a common calendar and common terms. However, the approach allows the flexibility within each step that is needed to accommodate the internal organizational differences. This approach utilizes the State's shared vision, values and goals as the framework to establish the direction for the State.

1. ***Planning to Plan.*** This first step represents the advance work necessary before the actual planning process can begin. The purpose of this step is for each agency to agree internally on the overall strategic planning effort and key planning steps that each agency will take to undertake strategic planning. Agencies should examine the State's vision that will be developed to see how their strategic plan ties to this vision.
2. ***Mandates.*** Each agency is influenced by constitutional and/or legislative mandates, or "the must" each agency must confront. At an early stage in the process, agencies should review and evaluate the role of these mandates as they pertain to day-to-day business and future activities. Relevant and continuing mandates should be analyzed on the impacts of the planning process.
3. ***Vision, Mission, Values.*** Determining the agency vision, mission and values is critical to establishing the agency strategic direction.

**Vision** defines the agency's sense of future direction, its dream for an ideal state, or why it should be doing what it is doing. The vision should be meaningful enough to instigate and inspire action among agency staff thereby leading to achievement. The actions of the department and its employees can be seen as moving toward this vision.

*Example:* The Department of Mental Health established a vision of "Lives Beyond Limitations: Missourians shall be free to live their lives and pursue their dreams beyond the limitations of mental illness, developmental disabilities, and alcohol and other drug abuse."

The **mission** defines the agency's basic purpose and reason for being. The mission and mission statement provide the basis for determining the business of the agency, general direction of the agency, and focus needed among agency personnel. Identifying the mission, however, does more than merely justify the agency's existence. Clarifying the purpose can eliminate unnecessary conflict in the agency and help clarify direction. It is doubtful that any organization ever achieved greatness or excellence without a basic consensus among its key stakeholders on an inspiring mission. To properly develop a mission statement, the agency should analyze its stakeholders, any individuals or group that can make a claim on the agency's re-

sources. This will include the taxpaying public, the legislature, as well as those who receive the agency's services. Attention to stakeholder concerns is crucial because the key to success in public organizations is the satisfaction of key stakeholders.

*Example:* The *mission* of the Department of Agriculture is "To create a climate in which agriculture can grow and prosper."

**Values** represent the fundamental principles and philosophy of the agency.

*Example:* The Department of Health has the following statement about its values: "Every Missourian should be afforded the opportunity for a healthy, active life. We therefore *value* universal access to comprehensive health care and a safe working and living environment for all women, men and children. Our first responsibility is to our citizens. The participation of Missourians in developing and evaluating our services is highly valued.

We value those who work with us in the pursuit of promotion and protection of the public's health ...

We value a strong public health infrastructure. .."

4. ***External Environment Assessment.*** A critical step to determining agency strategic issues involves an assessment of those factors outside the agency that may influence agency direction or response. These factors can be viewed either as opportunities or threats. Among the factors to be considered are forces and trends and customers and stakeholders. Opportunities and threats can be discovered by monitoring a variety of social, technological, economic, and political forces and trends.
5. ***Internal Environment Assessment.*** Another critical step to determining agency strategic issues involves an assessment of those factors within the agency that may influence agency direction or response in the future. These can be categorized as the agencies' strengths and weaknesses. Among the factors to be considered are resources, such as staffing and funding, present operational strategies, and past performance. For instance, agency staffing may be seen as a strength in one area and a weakness in another. Identifying the availability of resources, for example, will help clarify agency ability to address strategic issues.
6. ***Strategic Issues.*** Before agency goals can be determined, the critical strategic issues must be determined. Strategic issues are those internal or external challenges to the agency's mission, direction, policies, way of doing business or culture. The first five elements of the planning process described above lead to this element of strategic issues. Strategic planning focuses on achievement of the best "fit" between the agency and its environment. A statement of a strategic issue should be described succinctly, and the factors that make the issue a fundamental policy question should be listed.

*Example:* A **strategic issue** for the Missouri Department of Conservation (MDC) could be “Loss of biodiversity and critical habitats.” This issue could be stated as: “As population centers continue to expand, rural areas and associated plant and animal species/communities are at risk, elevating the importance of protecting and/or restoring critical resources through public ownership.”

*Example:* A strategic issue for the Coordinating Board for Higher Education could be “Student preparation for collegiate level study.” This issue could be stated as: “Unprepared students are more likely to fail academically, are less likely to graduate, and incur costs for themselves and the public in terms of wasted time and resources that can be avoided.”

*Example:* A strategic issue for the Department of Health could be “preventing disease and disability.” Treatment of disease and disability is extremely costly and the conditions extract a tremendous human toll as well.

7. **Goals, Objectives, Strategies, and Actions.** Agency strategic direction and operational modes are effectively determined through the creation of goals (direction), objectives (what will be done), strategies (consideration of how to do it), and action (implementation with accountability). All are based on predetermined outcomes as derived from the process of strategic thinking and planning. Allocation of resources (budgeting) is based on meeting objectives and action plans. Developing strategies and taking action on those strategies begins with the identification of goals and objectives. To do this, the organization must be focused on the identification and resolution of strategic issues. Applying this step in the strategic planning process to the strategic issues described above could be stated the following ways:

**EXAMPLES:**

<i>Issue:</i>	Department of Conservation - Loss of biodiversity and critical habitat
<i>Goal:</i>	Protect, sustain, enhance, restore, or create fish, forest, and wildlife communities on Department and other public lands consistent with regional needs, resource capabilities, and authorities.
<i>Objective:</i>	Increase Department fee title ownership of prairie habitat by 20 percent by 1999.
<i>Strategy:</i>	(A) Identify high quality prairie in private ownership (B) Make inquiries regarding willingness to sell prairie habitat.
<i>Action:</i>	(A) Develop indices for determining habitat types and quality employing GIS technology. (B) Determine acquisitions priorities according to habitat quality. (C) Develop information brochures to distribute to potential sellers of prairie habitat.



*Issue:* Coordinating Board - Student preparation for collegiate level study  
*Goal:* Increase preparation of high school graduates for rigorous collegiate study.  
*Objective:* By Fall 1996, all first-time, full-time, degree-seeking freshmen enrolling in Missouri's public four-year colleges and universities will complete a recommended high-school core curriculum (i.e., a 16-unit college preparatory curriculum).  
*Strategy:* (A) Support changed admission requirements at each public four-year institution to include completion of a 16-unit core curriculum.  
 (B) Increase awareness of new requirements among students, parents, and high school personnel through brochures, and direct communication by institutions.  
*Action:* Establishment of an Ad Hoc Core Curriculum Implementation Committee with representatives from across the state and from both K- 12 education and higher education.

*Issue:* Department of Health - Preventing Disease and Disability  
*Goal:* By 2000 reduce the leading causes of preventable morbidity and mortality.  
*Objective:* Reduce proportion of women who smoke during pregnancy to 5 percent or less.  
*Strategy:* Education of pregnant women.  
*Action:* Distribution of mass media materials regarding effects of prenatal substance use planned for May-June 94.

8. ***Performance Measures.*** A key feature of the strategic planning model is the development of performance measures. Agency accountability can be achieved through establishment and periodic monitoring of important performance measures. Determination of outcomes, measurement of results and customer satisfaction are among those that guide an agency toward improved effectiveness and efficiency. Most agencies focus on inputs and are less clear on the outcomes for their customers. The absence of performance information can create problems for the organization, and meaningful performance measurement is difficult. But without this information, agencies will always be challenged by stakeholders on issues of performance. Performance measures allow for the evaluation of alternative strategies and help resolve organizational conflicts. Under this strategic planning model, information from performance measurement feeds back to the previous steps relating to strategic issues, creating the continuous improvement environment critical to successful strategic planning and becoming an important tool in management of the agency. The fiscal policy task force report provides further recommendation on the development of performance measures.

## ***Implementation***

1. The Governor: (1) appoints a senior member of the Governor's Office to lead implementation of the strategic planning process and: (2) establishes a State Strategic Planning Team to facilitate implementation of the strategic planning process.

Involvement by the senior member of the Governor's Office will give the process visibility and validity. Moreover, the senior member of the Governor's Office will be able to facilitate agency participation by providing the necessary linkages between the Governor's Office, agency directors, and agency planners, thereby elevating the importance and expectations associated with doing good planning within state agencies.

The Planning Team will serve as a high-involvement study group whose primary role will be to coordinate integration of agency strategic planning efforts. Functions of the Team will include:

- Providing coordination among the 16 agencies during their planning activities;
- Serving as a clearinghouse for agency managers and to provide advice, expertise and training in the area of strategic planning;
- Resolving planning process questions;
- Developing and defining the basic planning model and preparation of a strategic planning manual for agencies to use as a planning resource; and
- Recommending to the Governor methods for improving planning effectiveness and efficiency.

The Planning Team will help to coordinate the planning process around issues that integrate across all 16 state agencies, such as information technology, and workforce issues. In addition, the Team will help to coordinate the planning process around issues that integrate a limited number of state departments, such as human service issues affecting the Health Department, Mental Health Department, and Social Services Department, and environmental issues affecting the Conservation Department and Natural Resources Department.

The Planning Team should consist of the following:

- A senior member of the Governor's Office (Team leader)
- Director of Planning for the Office of Administration
- Agency representative responsible for planning from each agency
- Member of the House staff, appointed by Speaker of the House
- Member of the Senate staff, appointed by President Pro Tem

## 2. Agencies Implement Strategic Planning Process

- Agencies should work from a common planning model that includes consistent calendars, and common terminology among all agencies. The task force has developed a calendar (**SEE ATTACHMENT 1**) and a glossary of common terms (**SEE ATTACHMENT 3**).

## 3. Integrate priorities and budget requests. (**Key dates are noted in the Calendar, SEE ATTACHMENT 1.**)

- The Governor shares the vision and priorities with agencies (mid-July).
- The Governor should establish specific points in the budget planning process at which the 16 state agencies establish priorities consistent with the vision.
- State agencies should communicate their strategic plans to the Governor and Budget Office on July 1 of each year.
- Agencies should request resources for programs consistent with the vision.
- Agencies share with each other their budget priorities for the coming year and how they fit the vision (October).
- Governor, Budget and Planning officials, and 16 state agencies select budget priorities across agency lines (December).

## 4. A successful strategic planning process must provide performance measures for determining the success of the process and tangible outcomes of state government. Progress towards obtaining performance measurement goals and objectives should be reviewed periodically thus providing a feedback loop allowing for management of the process and the creation of a continuous improvement cycle both of which are critical to future successes. The adoption of a performance-based budgeting system in state government would greatly enhance the measurement capacity.

- Each agency will design performance measures in their budget requests that demonstrate how funding will achieve agency strategic plan, goals and objectives.
- Department budget decision items should be supported by performance measures.
- Performance measures at all levels must be focused on results and outcomes as opposed to activities, inputs and outputs.

- The Planning Team should assess current cost and performance information systems, and recommend system development and training requirements.

### ***Recommendation 3***

Support the Continuation of the Integrated Strategic Planning Process

#### ***Background***

For the strategic planning process to be successful within agencies and across agencies, staff at all levels must have input into the strategic planning process and its outcomes. Successful strategic planning involves leadership from the top. But bottom up participation is equally important.

#### ***Rationale***

We believe agencies can maximize the opportunity for the Integrated Strategic Planning Process to succeed in their organization if the following factors are present:

- Agency leadership must act as a process sponsor to endorse and legitimize the effort.
- Each agency should begin with clear agreement among the key decision makers about what strategic planning is.
- Each agency should designate a strategic planning team to manage the process, collect information, prepare for meetings and to draft a strategic plan.
- Each agency develops strategies that are politically acceptable, technically workable and ethically responsible.
- Each agency relies on outside assistance in the form of a consultant/facilitator to help with the process.
- Each agency makes a point of not getting so bogged down in the process that it loses sight of what is truly important—strategic thought and action that focuses on clarity of direction, structure and measurement.
- Each agency periodically reviews performance and outcomes so that the strategic plan drives continuous improvement and becomes part of the management process.

## ***Implementation***

1. Encourage agency directors to develop incentives for staff at all levels to successfully implement strategic planning process.

A successful planning process is dependent on employees being rewarded for demonstrated achievement of goals and implementation of actions. Rewards—given to cause a behavior that you want to happen—are varied, in the private sector, the reward often monetary, with the successful employee receiving extra pay for a job well done.

The task force recognizes that monetary rewards may be beyond the statutory and administrative capabilities of some state agencies. Other rewards, such as recognition and time off may serve as viable alternatives to money.

In addition, based on interviews, it appears that public sector employees are motivated by rewards that are broader than individual remuneration, rewards that serve to better the agency and enable it to better serve the public. Therefore, appropriate rewards may include budgetary flexibility for a department, division or program.

Because of the difference among state agencies, it appears that a system of rewards must be tailored to the statutory and administrative capabilities of each agency. Therefore, the task force recommends that each agency director be asked to help develop a system of rewards that is best suited to the culture of his or her individual agency.

See the Management Improvement and Customer Focus Task Force's recommendation 2 for a detailed discussion of a non-financial, department-driven employee reward and recognition program.

2. The Governor and Legislature annually should recognize and promote to the public through the media, those exemplary agencies making significant contributions toward the State's shared vision.
  - The Governor and Legislative leaders should continually and publicly promote that employee input will make a difference in the outcome of the planning process at all levels.
3. The Governor and Legislature should allow agencies to redirect resources toward the accomplishment of their strategic plan without risk of losing funds.



## SUMMARY

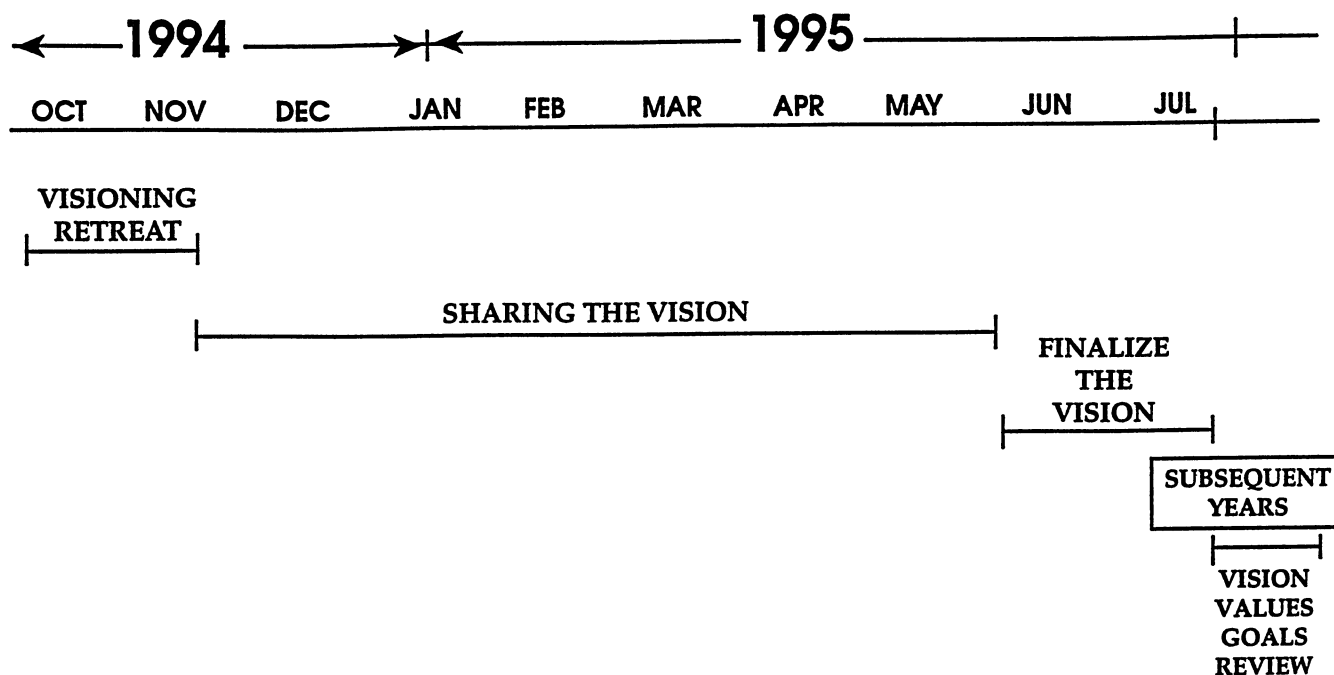
As Missouri prepares for the 21st century, it faces a number of significant opportunities. In order to realize the full potential of our state and its citizens within the limited resources available, state government must be as efficient and effective as possible. As Missouri develops and implements strategies to improve the quality of life for all Missourians, it has many assets - not the least of which are the considerable talents of its dedicated public servants. The Organizational Planning Task Force believes that one of the keys to realizing a better future for all Missourians is the implementation of an integrated strategic planning process for state government that will enhance the effectiveness of all state agencies and state personnel. By assimilating shared vision, values, and goals into day to day operations, the planning process improves the government's responsiveness to the citizens, and the state's leadership. Adopting benefit-based performance measures and tying the planning process to the budget process will enhance accountability and ensure that the public receives full value from every dollar invested in their government. The intent of this proposal is to assist agencies in accomplishing their primary missions of providing service to the citizens of Missouri by providing a tool that encourages the leadership to think and act strategically. Implementation of an integrated strategic planning process will focus government's attention on the critical needs of today and tomorrow.

# **Appendix A**

1. Visioning Calendar

2. Integrated Strategic Planning Process Calendar

# Visioning Calendar



## Visioning Calendar

### **OCTOBER 1994 – *VISIONING RETREAT***

Governor, Legislative leaders, and agency directors (state leadership) attend a facilitated retreat to articulate a proposed long-term vision for Missouri and its citizens.

### **OCTOBER 1994 TO MAY 1995 – *SHARING THE VISION***

State leadership shares the proposed vision at every opportunity with colleagues and constituency groups and asks for feedback.

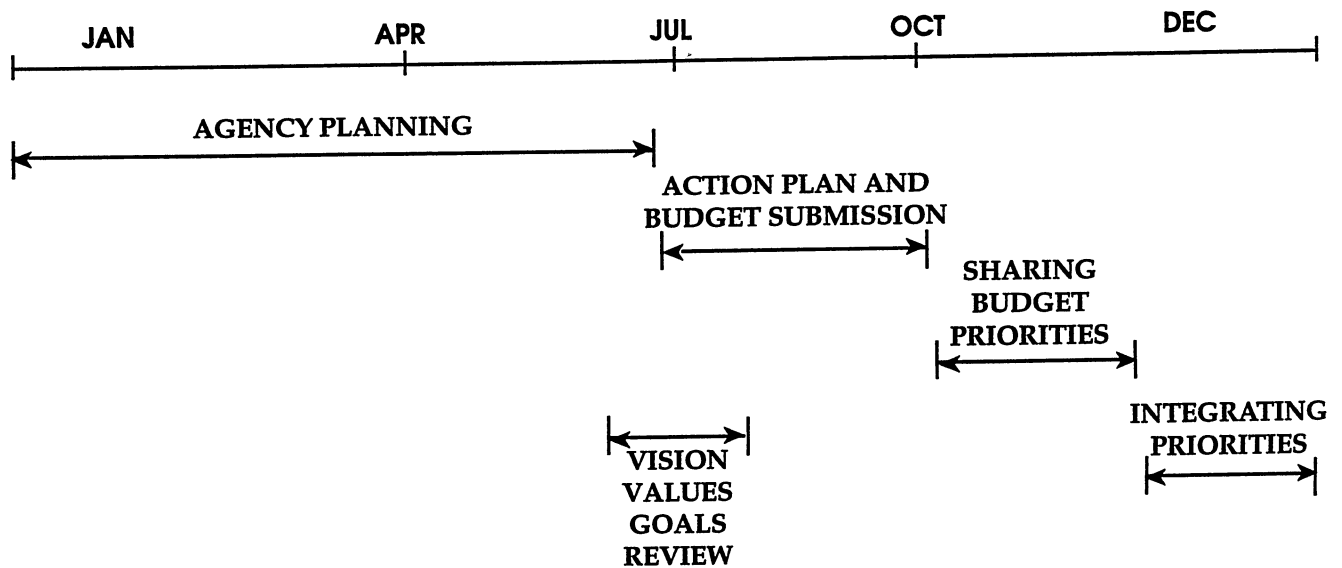
### **JUNE 1995 – *FINALIZING THE VISION***

State leadership attends a facilitated retreat to articulate the final version of the vision, values, and goals that establish priorities for the first strategic planning cycle.

### **JULY 1995 - SUBSEQUENT YEARS – *VISION, VALUES, GOALS REVIEWED***

Vision, values, and goals are reviewed annually by the state leadership group.

# Integrated Strategic Planning Process Calendar



## Integrated Strategic Planning Process Calendar

### **JANUARY - JUNE – *AGENCY PLANNING***

Each agency develops its own plan based upon the recommended integrated planning model. Goals and objectives are finalized and submitted to the Office of Administration/ Division of Budget and Planning by June 30.

### **JULY – *VISION, VALUES, AND GOALS REVIEWED***

Vision, values, and goals are reviewed annually by the state leadership group (Governor, Legislative leaders, and agency directors).

### **JULY - OCTOBER – *AGENCY ACTION PLANNING AND BUDGET SUBMISSION***

Each agency develops and finalizes its budget submissions to the Office of Administration/ Division of Budget and Planning in October.

### **OCTOBER – *SHARING PROPOSED PROGRAM AND BUDGET PRIORITIES***

Governor and agency directors meet jointly to discuss proposed program and budget priorities for the coming cycle that could best promote vision attainment.

### **DECEMBER – *SELECTING GOVERNOR’S BUDGET PRIORITIES FOR VISION ATTAINMENT***

Governor and agency directors meet jointly to select top Governor’s budget priorities to be submitted to the Legislature in the coming cycle.

# **Appendix B**

Excerpt from *Missourians FIRST*

Reports of the Task Force on  
Long-Range Planning in the  
Departments of State Government



## GENERAL ANALYSIS OF LONG-RANGE PLANNING IN STATE GOVERNMENT

Darrell Jackson

The individual reports which follow give details about each department's long-range planning activities. In this section, some generalizations will be set out.

### DESCRIPTION

(1) The agencies are in a variety of stages of long-range planning. (a) Several have relatively advanced long-range planning both completed and ongoing. These include Conservation, Health, Parks, Tourism, and some divisions of Public Safety. (b) Several more have significant long-range planning in process. These include Agriculture, Corrections, Economic Development, Highways and Transportation, Labor and Industrial Relations, and Public Safety. (c) Some departments have no significant long-range planning. Social Services has none. Natural Resources began to establish a process as it interacted with the Environment Task Force. Higher Education has had no long-range plan since 1977, but intends to undertake writing a master plan later this year.

(2) Long-range planning means different things in different agencies. In a majority of the agencies it means looking over some extended period of time at statewide policy issues. This might be called global planning. But in some agencies it means primarily institutional planning, that is, looking at the agency and what it needs to do. In a few instances it means operational planning, putting into effect major policy initiatives of the Legislature or the Governor. These are not exclusive activities. Indeed, a complete planning effort involves all three. The emphasis or starting point does, however, make a difference in the character of the planning that results.

(3) There are varieties of who is responsible for the day-to-day work of long-range planning. Only a few departments have in-house planning specialists (Conservation, Health, Highways and Transportation). Most regard planning as one of the many responsibilities of regular staff. Some make this a matter of principle; they prefer "doers" to "planners" (Elementary and Secondary Education). Others would like to have planning staff, but have found it the easiest place to make cuts under budget pressures. To make up for the lack of in-house expertise, some departments have contracted with consultants (Agriculture and Economic Development). Finally,

it should be noted that one agency gives the major role in planning to an industry group (Tourism).

(4) The moving force or reason for planning or lack of planning varies from agency to agency. (a) In some agencies there is a federal mandate to plan. The clearest instance is the Department of Highways and Transportation, which is required by the Intermodal Surface Transportation Efficiency Act to do a comprehensive transportation plan for the state of Missouri. This mandate is assisted by funding (\$6.8 million of federal funding in FY1993). There are also state mandates, for example, for Higher Education. (2) The most common motivator for planning is dedicated funding. Agencies which have revenues dedicated to them have more predictable future resources. This appears to motivate them to do long-range planning. Such agencies include Conservation (one-eighth cent sales tax), Parks (one-tenth cent sales tax, shared), and Tourism (HB 188). Highways and Transportation has the largest dedicated funding and has carried out transportation planning for years. On the other hand, agencies without guaranteed funds in the future, are sometimes skeptical of the value of planning. (3) There are also agencies in which personal and historical factors are determinative. Planning has been a part of the Department of Health since it was formed. In this it fits into a national pattern among public health agencies. In other departments planning or a lack of it is a result of the personal preference of leaders.

(5) The language or components of long-range planning in the agencies is generally the standard language that one finds elsewhere. Agencies have visions, missions, goals, objectives, strategies, base-line data, and so on. All such elements are normally present in fully developed long-range planning. In some agencies several of the components are missing, probably a symptom of an underdeveloped planning process.

(6) The situation of the agencies varies a great deal with regard to originating and implementing a long-range plan. (a) With regard to origination, it can make a difference whether an agency answers directly to the Governor or to a commission, just as it makes a difference who the Governor is and what the Governor's attitude toward planning is and the same for each commission and its members. (b) With regard to implementation, some agencies have almost complete control. Others depend upon other agencies or even on private entities to carry out programs. Some examples: The Department of Health has advanced planning, but a great deal of the delivery of public health services is by county health departments, which are not under the control of the department. The Coordinating Board for Higher Education has a coordinating,

(13) Some agencies and individuals believe that the political and governmental process which is carried out through elections, budget-making, and law-making is itself the only appropriate vehicle of planning. Priorities are set by the voters in their choices and by governors and agencies and the legislature (in responding to budget and legislative proposals). Unquestionably this is the essential process of government and it is a form of planning. The question is whether there needs to be in addition to or as a part of this process a clearly articulated process (involving explicit identification of goals and objectives, for example) of longer-term planning beyond the one year budget and crisis-dominated legislative cycle. This process should not be separate from the political-legislative process, but, if it is worth having, should be a part of it.

(14) Most of the agencies have minimal communication with the State Legislature on their long-range planning. The communication occurs on the political/legislative cycle level. Some times planning documents are sent to legislators. Their input may be asked for. Personal contacts may be cultivated. But there is no clear framework or method for achieving a major legislative role in agency long-range planning.

(15) Any look at the proper role for the Legislature should recognize the ability of a representative body to express the will of the people and its constitutional duty as the law-making branch of government to set policy at the highest level, subject only to constitutional limits.

## GLOSSARY

**Action/Operational/Tactical Planning.** The process of developing operational elements of strategic objectives based on careful evaluation of resources (time and personnel), ability, need, priority, and anticipated funding.

**Assessment.** An appraisal of the capabilities, resources, constraints, problems, needs of the organization. Assessments may include environmental scans, strategic assessments (i.e., SWOT analysis), internal/external inventory, bench marking, and work flow diagrams.

**Benchmark.** A comparative standard for evaluating accomplishments.

**Budgeting.** The process of allocating financial resources to agencies, programs, and projects.

**Customer.** People or organizations who receive and use the products and services of an agency or program.

**Efficiency (and Cost-Effectiveness) Measurements.** Indicators that measure the cost (whether in dollars or employee hours) per unit of output or outcome. Example is cost per million gallons of drinking water delivered to consumers.

**Environmental Scan.** A technique for assessing factors, trends, and issues in society (e.g., demographic, social, economic, political, and technological) relative to an agency's mission and strategic direction.

**Explanatory Information.** Information about the environment and other factors that might affect an organization's performance on measurements.

**External Inventory.** An assessment of factors outside the agency (e.g., opportunities, threats, resources, supply/demand, stakeholders, and trends). Environmental scanning is an external inventory process.

**Goal.** Generalized, directional statement of an intended purpose (i.e., to improve, increase, maintain, decrease, provide). Goals are qualitative and usually not quantified; may or may not be achievable.

**Implementation.** The process of carrying out a plan.

**Input.** Labor hours, resources, assets, equipment, supplies, etc.

**Input Measurements.** Designed to report the amount of resources, either financial or other (especially personnel), that have been used for a specific service or program. Input measurements are ordinarily presented in budget submissions and sometimes external management reports.

**Integrated Planning Process.** A planning process involving all state agencies based on a common planning model.

**Internal Inventory.** An assessment of the organization's strengths, weaknesses, mandates, mission, policies, directives, programs, funding, and organizational structure.

**Long Term/Range Planning.** In contrast to strategic planning, usually addresses a time frame greater than five years.

**Mandates.** A duty required of an agency by law or rule.

**Mission.** A statement of the agency's purpose and reason for being.

**Objectives.** Concise statements of what will be accomplished (specificity), how much will be accomplished (quantity), when it will be completed (deadline), and by whom (responsibility). Objectives are an operational element of a goal. Objectives should not be qualitative, general or vague, but should be achievable.

**Outcomes.** The resulting effect of the use or application of an output from which a desired level of quality/effectiveness can be determined.

**Outcome Measurements.** Designed to report the results (including quality) of the service. Examples of outcomes measures are: the change in students' test scores; the percentage of hypertensives treated who now have controlled blood pressure; and the value of property lost due to crime.

**Output.** Units of products or services derived from an activity.

**Output Measurements.** Designed to report units produced or services provided by a service or program.

**Performance Indicators.** Existing data or data that can be collected that will become a method for measuring success in achieving the operational objective.

**Performance Measures.** A direct, meaningful comparison of outcome to output and input.

**Stakeholder.** A person, group, or organization with an interest in the actions, goals, or outcomes an agency or official action.

**Strategic Issues.** Internal or external challenges to the organization's mission, direction, policies, way of doing business, or culture.

**Strategic Plan.** A document which articulates agency vision, direction, and purpose.

**Strategic Planning.** A high-level planning process for envisioning the future (usually a 3 to 5 year time frame) and determining the necessary pathways to achieving that future.

**Strategy.** Narrative statement(s) of an approach to achieve an objective.

**SWOT Analysis.** Analysis of (internal) strengths and weaknesses, and (external) opportunities and threats.

**Values.** The principles of a person or group. What you/we stand for and believe in.

**Vision.** Description of the ideal, future state of the organization or program.

**Work Flow Diagrams.** A graphic representation of how work flows through the organization. Using system flow symbols, customer service operations are depicted in detail including inputs, activities, decision-making processes, outputs, and critical paths (including time frames). The model is used to assess the impact of alternate strategies.

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